

BEFORE THE TENNESSEE STATE BOARD OF EQUALIZATION

In Re: Curtis W. Hester, et ux)
Map 130, Control Map 130, Parcel 121.00) Robertson County
Residential Property)
Tax Year 2007)

INITIAL DECISION AND ORDER

Statement of the Case

An appeal was filed with the State Board of Equalization on behalf of the taxpayer on August 21, 2007. The Robertson County Assessor of Property ("Assessor") has valued the subject property for tax purposes as follows:

<u>LAND VALUE</u>	<u>IMPROVEMENT VALUE</u>	<u>TOTAL VALUE</u>	<u>ASSESSMENT</u>
\$45,500	\$230,000	\$275,500	\$68,875

The undersigned administrative judge conducted a hearing of this matter on December 12, 2007 in Springfield, Tennessee. In attendance at the hearing were the appellant, Curtis W. Hester, along with Chris Traugher, Assistant Assessor of Property for Robertson County.

Findings of Fact and Conclusions of Law

Subject property consists of a single family residence on a 5 acre lot located at 4929 Reeder School Road, a location in Greenbrier, Robertson County, Tennessee.

The taxpayer contends that subject property should be valued at \$248,000 (answer to question 15 on appeal application), however; at the hearing he states that the value should be \$245,000. Mr. Hester testified that he purchased the home in 2002 for \$133,152 and in 2004 he refinanced the property for \$236,000. Mr. Hester further stated that a home down the street from him (5247 Reeder School Road) is valued at \$191,800 and is very similar to his. He also says that it is his belief that his home has not changed since the refinancing; he has modular homes on either side of him which does not positively contribute to the value of his home. Mr. Hester also stated that he does not believe that the homes' value should have increased 18% since the last time, and that "it is not fair".

The assessor contended that subject property should remain valued at \$275,000. In support of this position Mr. Traugher relies on the value set by the County Board. Mr. Traugher reminded Mr. Hester that 2007 was a reassessment year for Robertson County and that the overall values of properties increased approximately 20% throughout Robertson County.

The basis of valuation as stated in Tennessee Code Annotated Section 67-5-601(a) is that "[t]he value of all property shall be ascertained from the evidence of its sound,

intrinsic and immediate value, for purposes of sale between a willing seller and a willing buyer without consideration of speculative values . . ."

After having reviewed all the evidence in the case, the administrative judge finds that the subject property should be valued at \$275,500 based upon the presumption of correctness attaching to the decision of the Robertson County Board of Equalization.

Since the taxpayer is appealing from the determination of the Robertson County Board of Equalization, the burden of proof is on the taxpayer. See State Board of Equalization Rule 0600-1-.11(1) and *Big Fork Mining Company v. Tennessee Water Quality Control Board*, 620 S.W.2d 515 (Tenn. App. 1981).

The administrative judge finds that the fair market value of the subject property as of January 1, 2007, constitutes the relevant issue in this appeal. In analyzing the arguments of the appellant the administrative judge also finds that the Assessment Appeals Commission has repeatedly rejected arguments based upon the amount by which an appraisal has increased as a consequence of reappraisal for validation of lowering Mr. Hester's assessment. For example, the Commission rejected such an argument in *E.B. Kissell, Jr.* (Shelby County, Tax Years 1991 and 1992) reasoning in pertinent part as follows:

The rate of increase in the assessment of the subject property since the last reappraisal or even last year may be alarming but is not evidence that the value is wrong. It is conceivable that values may change dramatically for some properties, even over so short of time as a year. . .

The best evidence of the present value of a residential property is generally sales of properties comparable to the subject, comparable in the features that are relevant to value. While perfect comparability is not required, relevant differences should be explained and accounted for by reasonable adjustments. If evidence of a sale is presented without the required analysis of comparability, it is difficult or impossible for us to use the sale as an indicator of value. . . . Final Decision and Order at 2. Moreover, the Assessment Appeals Commission has ruled that taxes are irrelevant to the issue of value. See *John C. & Patricia A. Hume*, (Shelby Co., Tax Year 1991).

Respectfully, the administrative judge finds that Mr. Hester had no reliable documentation to support his contention of value; he has not met his burden of proof.

ORDER

It is therefore ORDERED that the following value and assessment be adopted for tax year 2007:

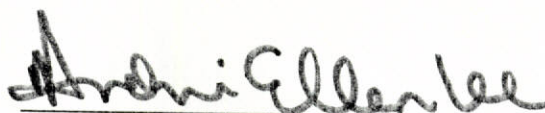
<u>LAND VALUE</u>	<u>IMPROVEMENT VALUE</u>	<u>TOTAL VALUE</u>	<u>ASSESSMENT</u>
\$45,500	\$230,000	\$275,500	\$68,875

Pursuant to the Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-301—325, Tenn. Code Ann. § 67-5-1501, and the Rules of Contested Case Procedure of the State Board of Equalization, the parties are advised of the following remedies:

1. A party may appeal this decision and order to the Assessment Appeals Commission pursuant to Tenn. Code Ann. § 67-5-1501 and Rule 0600-1-.12 of the Contested Case Procedures of the State Board of Equalization. Tennessee Code Annotated § 67-5-1501(c) provides that an appeal **“must be filed within thirty (30) days from the date the initial decision is sent.”** Rule 0600-1-.12 of the Contested Case Procedures of the State Board of Equalization provides that the appeal be filed with the Executive Secretary of the State Board and that the appeal **“identify the allegedly erroneous finding(s) of fact and/or conclusion(s) of law in the initial order”**; or
2. A party may petition for reconsideration of this decision and order pursuant to Tenn. Code Ann. § 4-5-317 within fifteen (15) days of the entry of the order. The petition for reconsideration must state the specific grounds upon which relief is requested. The filing of a petition for reconsideration is not a prerequisite for seeking administrative or judicial review.

This order does not become final until an official certificate is issued by the Assessment Appeals Commission. Official certificates are normally issued seventy-five (75) days after the entry of the initial decision and order if no party has appealed.

ENTERED this 18th day of January, 2008.



ANDREI ELLEN LEE
ADMINISTRATIVE JUDGE
TENNESSEE DEPARTMENT OF STATE
ADMINISTRATIVE PROCEDURES DIVISION

c: Mr. Curtis W. Hester
F.E. Head, Assessor of Property